

## POTENTIAL IMPACT IN FY 2001 OF THE SENATE BUDGET RESOLUTION

The following programmatic impact statements illustrate reductions (by function) to the FY 2001 Budget contained in the Senate Budget Resolution Chairman's Mark.

### Education, Training, Employment, and Social Services

- **Class Size.** The Senate Budget Resolution could prevent the hiring of the third group of teachers meant to reduce class size in grades 1-3, to a nationwide average of 18 students per class. Twenty thousand new teachers could not be hired.
- **21st Century Community Learning Centers.** The Senate Budget Resolution could cut \$547 million from the President's request, denying approximately 1.6 million school-age children in over 6,000 new centers access to before- and after-school and summer programs in safe, drug-free environments.
- **School Construction.** The Senate Budget Resolution could eliminate \$1.3 billion in loan subsidies and grants to repair 5,000 public schools.
- **Small, safe, and drug-free schools.** The Senate Budget Resolution could prevent 400 additional high schools from developing schools-within-schools and career academies that could create smaller, safer learning environments for students. It could also severely compromise the President's proposed 40-community expansion of the popular interagency Safe Schools/Healthy Students initiative, which supports comprehensive, community-wide approaches to drug and violence prevention, and eliminate Project SERV, an initiative to provide emergency assistance to schools affected by serious violence or other traumatic incidents.
- Funding for the **Dislocated Worker** program would be cut by about \$213 million, denying training, job search assistance, and support services to approximately 118,000 dislocated workers
- **Adult training services** for over 45,000 of the 380,000 adults who would otherwise be served in FY 2000 would be eliminated.
- Funding for the **Youth Activities Formula Grant** program would be cut by about \$123 million, denying 73,000 low-income youth summer jobs and training opportunities.

- The **Community Service Employment for Older Americans** program would be cut by about \$53 million. About 11,000 low-income older Americans would lose their part-time jobs.
- The Senate budget resolution would cut the **Job Corps** program by \$163 million -- preventing Job Corps from opening the final two centers of the recent four center expansion and possibly resulting in the closure of 8-11 additional Job Corps Centers, denying job training opportunities to over 5,000 disadvantaged youth.
- Funding for the **Youth Opportunity Grants** program would be cut by \$45 million, denying over 10,000 youth in high-poverty communities access to education, training, and employment assistance.
- A \$745 million cut to the President's request would force **Head Start** to provide services to approximately 62,000 fewer children in FY 2001 than would otherwise be served.
- The 12 percent cut to the **Administration on Aging** assumed in the Budget Resolution would result in 20 million fewer home-delivered meals to ill and disabled seniors than would otherwise be served.

### **Community and Regional Development**

- The resolution reduces funding for Community and Regional Development below last year's level and is a decrease of over \$3 billion from the President's budget. Given the competing demands within this program category, this funding level would almost certainly result in no increase in the **Community Development Block Grant (CDBG)** program, and probably end up reducing CDBG funding by 10 percent below the President's request. This would reduce local communities support of housing activities -- including a loss of nearly 29,000 people from benefiting from programs providing housing rehabilitation, construction, and homebuyer assistance -- and 7,100 fewer jobs being created using CDBG assistance for economic development.
- The Budget Resolution funding level would seriously impair the ability of the **New Markets** initiatives to provide businesses with funding and assistance, which they would use to invest in low-income neighborhoods around the country.
- **FEMA Emergency Funding.** Contingent emergency appropriations provide a means to make emergency disaster response funding available to handle the disaster activity that we expect will occur, based on recent experience. By stripping out contingent emergency funding from the President's Budget request, the Budget Resolution makes it more difficult for the President to release appropriate funding as quickly as possible to enable Federal agencies to respond rapidly when a disaster strikes. Postponing consideration of contingent emergency

appropriations until disasters strike could lead to circumstances in which disaster victims are left without shelter, and communities are left without critical clean-up and rebuilding assistance for days, weeks, and sometimes even months.

- **Super-Majority for FEMA Emergencies.** Requiring a super-majority of the Senate for an emergency appropriation would make it much more difficult for the Federal government to respond quickly and appropriately to disasters. A super-majority requirement could lead to some circumstances in which disaster victims are left without Federal disaster assistance for lengthy periods--and perhaps even some cases in which disaster victims will not receive the assistance they need.

### **Income Security**

- The Budget Resolution explicitly states its intention to provide funding for the renewal of all expiring **Section 8 housing** contracts. However, the large and competing demands on Income Security activities assumed in the Budget Resolution indicates that full renewal funding cannot be achieved within the resolution's functional total. As a result, the resolution would necessitate significant cuts in housing renewals from the President's request of \$13 billion. The resolution would also eliminate the Administration's efforts to assist more needy families with 120,000 new incremental housing vouchers. The deletion of new housing assistance would come at a time when a record 5.3 million low-income households in this country have worst-case housing needs -- defined as spending over 50 percent of their income in rent or living in substandard housing.

### **International Affairs**

- **Foreign Military Financing Programs.** If Israel and Egypt assistance levels under Economic Support Funds and Foreign Military Financing Programs were held harmless, a 13 percent reduction to the overall programs would require elimination of all other FMF assistance and program management, and a 39 percent reduction in other ESF-funded programs, which would devastate important democracy and other assistance programs in countries such as Jordan, Indonesia, Nigeria, and Guatemala.
- **International Organizations and Peacekeeping Accounts.** A 13 percent reduction to funds for the international organizations and peacekeeping accounts would prevent the United States from making its full assessed payments to the UN and other international organizations that directly promote vital US interests. This would substantially increase US arrears to the UN and jeopardize the negotiations for reforms that would lead to the payment of approximately \$800 million in arrears. This cut would also cripple continuing and critical new peacekeeping missions seeking to redress the instability and suffering caused by conflicts in East Timor, Kosovo, and Africa.

- **African Development Foundation (ADF) and Inter-American Foundation (IAF).** The abolition of ADF and IAF would eliminate the only U.S. Government institutions that work exclusively with local, grassroots organizations in Africa and Latin America to expand economic opportunities and develop basic democratic values and institutions.

## Science and Space

- **Reduced Support for Basic Research.** A reduction of over \$500 million to **NSF** would result in over 19,100 fewer researchers, educators, and students receiving NSF support – affecting the high-tech workforce and well-trained students needed for the Nation's future. A reduction of this magnitude would result in almost 4,200 fewer awards for state-of-the-art research and education activities.
- **NASA.** A \$560 million reduction to **NASA** assumed in the Budget Resolution would cause serious delays and safety issues in NASA's Human Space Flight programs or force multiple delays and terminations in NASA's Science and Technology programs. In NASA's Human Space Flight programs, a reduction of this magnitude would cause major delays in assembly of the International Space Station just as the program is reaching peak construction, greatly increasing development cost and undermining international commitments. It would also impair efforts to implement timely safety upgrades in the Shuttle program and address personnel shortfalls. In NASA's Science and Technology programs, a cut this large would force the delay and termination of multiple spacecraft missions and technology demonstrations in earth and space science, advanced space transportation, and aeronautics.
- **Department of Energy (DOE) Science Programs.** The Senate Budget Resolution cuts \$258 million from DOE science programs. This mark would require a cut in excess of \$60 million to the President's request for the Spallation Neutron Source (SNS) and be the third major cut by Congress of construction funds for the SNS. The cut would further delay construction, drive up total costs, and force the Department to consider cancellation of the project. The mark would also not provide the \$30 million requested to increase the operating time, upgrade instrumentation and expand user support services for DOE's other neutron and synchrotron light sources. These facilities are struggling to keep up with increasing demand by NIH- and NSF-funded researchers, who are, for example, using them to design better antibiotics and more biocompatible materials.

## Natural Resources

- C The Budget Resolution significantly cuts the total \$160 million request for **Coastal Salmon recovery** programs, which includes \$100 million under **Lands Legacy** in the President's budget for grants to States and Tribes to assist in Pacific salmon recovery efforts, and \$60 million, not part of Lands Legacy, to fund bilateral Pacific salmon recovery treaty obligations

with Canada. The Budget Resolution reduces the overall Pacific salmon recovery request by \$58 million or 36 percent. This reduction to the President's budget would undermine our international treaty obligations and jeopardize Federal, State, and Tribal partnerships needed to recover Pacific salmon species.

- The Budget Resolution would cut farm loan programs at the **USDA**, resulting in 800 fewer loans to American farmers and ranchers.
  - **EPA's Superfund** program would be cut by \$87 million. This would eliminate funding for all 15 new federally-led cleanups and five ongoing federally-led cleanups in FY 2001, needlessly jeopardizing public health for citizens living near affected sites and making it more difficult to meet the 900-site cleanup goal in 2002.
  - The cut to **EPA's Enforcement Program** assumed by the Budget Resolution would significantly hamper the environmental cop on the beat, jeopardizing our ability to assure adequate protection of public health and the environment. Nearly, 1,000 fewer inspections could contribute to a higher non-compliance rate and an increase in pollution.
  - The reduction assumed by the Budget Resolution to the **Children's Health Initiative** would impair efforts to train health care workers on the environmental control of asthma; limit outreach programs to children, parents, and care-givers on avoidance of second-hand smoke and other indoor allergens; and, hinder critical research into the role that pesticides and chemicals may play in the onset of asthma. In addition, EPA's lead program, which focuses on enforcing lead regulations and community-based programs that are aimed at reducing children's exposure to lead, would be curtailed.
- C The **Lands Legacy Initiative** reductions range from 6 to 36 percent relative to the President's Budget. Overall, the Budget Resolution reduces Lands Legacy by over 8 percent. In addition, by explicitly rejecting the Administration's new budget cap for Lands Legacy programs, the Budget Resolution fails to provide any permanent protection for the Lands Legacy programs, placing these important conservation programs in jeopardy as the appropriations process continues. Federal land acquisition would be reduced \$27 million below the request, affecting projects such as: the Lewis and Clark Historic Trail, California Desert, Everglades restoration, Lake Tahoe Basin, Colorado Sand Dunes, and Civil War Battlefields. Most of the impact would fall on the State, community and coastal programs, reducing their ability to provide State recreation opportunities, enhance forest and wildlife habitat, and protect fragile coastal environments.
- C The Budget Resolution reduces most **Interior Department and Forest Service programs** by six-percent below the President's request. Such a reduction would hinder Wildland fire suppression and protection programs, delay or limit the construction and rehabilitation of

needed visitor facilities, and diminish the ability to oversee coal mining operations and the ability to assist States and Tribes in cleanup of almost 9,000 acres of abandoned mine lands.

## **Health**

- Funding for the **Health Services and Resources Administration (HSRA)** could be cut by approximately \$239 million, which could prevent almost 2 million women and children, uninsured people, and people living with HIV/AIDS from receiving health care services than were served in FY 2000.
- Funding for the **Food and Drug Administration (FDA)** could be cut by over \$59 million. Such a reduction would result in extended product review times for new vaccines, new food additives, and complex emerging medical technology, making it difficult for the FDA to meet congressionally-mandated performance levels. This reduction would also impede FDA's efforts to ensure the safety of the Nation's food supply and would strain the agency's ability to respond to outbreaks of food borne illness.
- **Substance Abuse and Mental Health Services Administration** funding would be reduced by \$141 million, which would deny treatment to roughly 30,000 people who receive mental health and substance abuse services.

## **Transportation**

- A \$192 million reduction to **Coast Guard Operations** below the President's FY 2001 request of \$3,199 million would substantially reduce flight hours and days at sea for all Coast Guard missions, except search and rescue. Drug and migrant interdiction, national security, and fisheries enforcement would be severely reduced. The Coast Guard's drug interdiction goals set forth in the National Drug Control Strategy would not be met. Cutters and aircraft would be laid up in large numbers and new facilities coming on line, such as the newly commissioned sea-going buoy tenders and 47-foot motor lifeboats would not be operated.
- A \$31 million reduction to **Amtrak** below the President's request of \$521 million would jeopardize Amtrak's ability to achieve self-sufficiency. This reduction would result in postponement of the recently announced route expansions. In addition, the frequency and level of service on Amtrak's remaining trains will be reduced. This will further reduce revenues, leading to additional service reductions.

## **Administration of Justice**

- The Budget Resolution rejects the President's \$1.335 billion request for the **21st Century Policing Initiative (COPS)**. It does not appear to provide any funds for the hiring of additional police officers, or for community crime prevention programs, and it is well below the President's request for law enforcement technology and gun prosecution. Without continued funding for the COPS hiring program, it will be impossible to meet the President's goal of funding up to 150,000 additional officers by 2005.

## **General Government**

- **IRS.** The Budget Resolution would cut the IRS's resources by \$1.1 billion below the President's Budget -- \$0.6 billion below the level needed to maintain current operations. The IRS would lose 10,000 workers needed to provide service to taxpayers and to ensure that the tax laws are enforced fairly. IRS modernization efforts mandated by the 1998 Restructuring and Reform Act would be halted. Instead of the improvements in performance proposed in the President's budget, audit rates -- which have already fallen by half over the past decade -- would drop to unacceptable levels. Taxpayers would face greater frustration, and the Treasury would lose billions of dollars in enforcement revenue. Such a dramatic cut in both compliance efforts and taxpayer service would put at risk the voluntary compliance system, which collects over \$1.7 trillion in revenue each year.